

TITLE XIX  
INTERAGENCY SERVICE AGREEMENT  
BETWEEN  
THE ARIZONA DEPARTMENT OF HEALTH SERVICES  
AND  
THE ARIZONA DEPARTMENT OF YOUTH TREATMENT AND  
REHABILITATION

Pursuant to A.R.S. §§35-148 and 36-3435, this INTERAGENCY SERVICE AGREEMENT (Agreement) is entered by and between the ARIZONA DEPARTMENT OF HEALTH SERVICES (ADHS) an agency of the State of Arizona, and pursuant to A.R.S. §§36-104 and 36-3431, the ARIZONA DEPARTMENT OF YOUTH TREATMENT AND REHABILITATION (ADYTR), an agency of the State of Arizona, pursuant to A.R.S. §41-2801.

WHEREAS, the ADYTR is authorized to execute and administer contracts and is responsible for youth committed to its care and custody by the Arizona Juvenile Courts; and

WHEREAS, the ADHS is authorized to execute and administer contracts in exercising its administrative supervision of Regional Behavioral Health Authorities and is recognized by Arizona statute as the Children's Behavioral Health System; and

Whereas, the ADYTR and the ADHS also desire to improve and enhance the delivery of Title XIX mental health services for Eligible Children;

NOW THEREFORE, in consideration of the mutual promises and undertakings contained herein, and for other good and valuable considerations, the parties hereby agree as follows:

i. Agreement Term

The Term of this Agreement shall begin on January 1, 1995 and shall remain in effect until the agreement is terminated pursuant to Section V.

II. Definitions

"ADHS" (Arizona Department of Health Services) is the state agency mandated to serve the public health needs of all Arizona residents.

"Administration Standards" means the standards established by the Arizona Health Care Cost Containment System (AHCCCS), the AHCCCS Mental Health Policy Manual, the Title XIX State Plan, federal and state statute and rules, and any subsequent amendments thereto.

"ADYTR" (Arizona Department of Youth Treatment and Rehabilitation) is the state agency mandated to be responsible for delinquent youth committed to its care and custody by the Arizona Juvenile Courts.

"ADYTR Case Management" is the planning and coordinating of all services to an ADYTR Youth by an individual who, working with others providing services, provides assessment, identifies and obtains services, monitors, evaluates, records progress and terminates services in accordance with accomplished goals and objectives, policies and procedures. Such case management encompasses the philosophy of maintaining the youth in the least restrictive environment, encouraging sensitivity to multi-cultural diversity and family involvement.

"ADYTR Community Support Specialist" is an ADYTR staff person assigned to the task of coordinating youths' needs with contracted providers, and budget and authorize payment of Title XIX eligible youth and behavioral health needs.

"AHCCCS" means the Arizona Health Care Cost Containment System.

"AHCCCS Mental Health Policy Manual" means the document published by the AHCCCS which defines the policies and procedures applicable to Title XIX mental health services with which the Regional Behavioral Health Authorities and AHCCCS Health Plans must comply including any amendments thereto.

"Case Coordination" is provided to eligible children who are in need of mental health services but who do not need children's intensive case management. Case coordination activities are provided by a case coordinator and are limited to basic individual service plan development, identification of service providers, monitoring, updates, and follow-up, when necessary.

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"Child, Youth or Juvenile" means an individual who is under the age of eighteen years.

"Secure Care Schools" means the temporary care of a child who requires secure custody in physically restricting facilities for the protection of the child or the community pending Court disposition.

"Eligible Children" or "Eligible Child" is a child who is determined Title XIX eligible, pursuant to ARS 36-2901(4)(b), and who is under the age of 21, and is in need of mental health services which can be reimbursed with Title XIX funds as prescribed in ARS 36-2907.01.

"Eligible Youth" see Eligible Children.

"Evaluation" means services necessary to identify and assess the extent of an Eligible Child's mental health condition and provide the basis for a Treatment Plan. It may include psychiatric, psychological, psycho social, and/or developmental assessments and the administration and interpretation of psychometric tests. It is provided by a clinical team comprised of mental health providers who meet ADHS and AHCCCS qualification requirements.

"Health Care Financing Administration (HCFA)" is an organization with the U.S. Department of Health and Human Services which oversees the Medicare and Medicaid Programs.

"Health Plan" is a person, organization, or agency under a direct contact or intergovernmental agreement with the AHCCCS to provide medical services under Arizona Revised Statutes and AHCCCS rules to AHCCCS members. AHCCCS monitors the plan for proper delivery of care; AHCCCS does not run the plan.

"Individual Education Plan (IEP)" is a plan developed to address an educationally handicapped child's educational needs.

"Individual Development Plan (IDP)" is a specific plan of treatment developed for each ADYTR eligible person that specifies mental health services, service units, anticipated time frames and provider(s) of care. See Individual Service Plan.

"Intensive Case Management" means high intensity of scope, frequency and duration of planning, coordination, monitoring, intervention, and evaluation for persons who are seriously mentally ill or who have special needs.

"Joint Commission on Accreditation of Health Organizations (JCAHO)" refers to a nationally recognized association for accreditation of hospitals, nursing facilities and other health care facilities/organizations.

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"Medically Necessary" means those covered services provided by a qualified service provider within the scope of their practice. Under state law or certification, which ever is applicable, medically necessary services are provided to prevent disease, disability and other adverse health conditions or their progression or to prolong life.

"Mental Health Services" means the treatment for mental disorders and substance abuse as set forth in Administrative Standards.

"Non-Title XIX" means a client's non eligible status for benefits under Title XIX of the Social Security Act, or to services which do not meet the statutory or regulatory requirements of Title XIX.

"Parole Officer" is an ADYTR staff person responsible for supervising the ADYTR Youth's parole activities.

"Placement" is the location of a youth determined by ADYTR which best suits the youth's needs and community's safety.

"Pre-screening" means an evaluation completed by ADYTR to determine the youth's Title XIX eligibility status, and appropriateness for referral for behavioral health service assessment.

"Provider" means an organization and/or mental health profession who meets the criteria established in the AHCCCS Mental Health Policy Manual, under contract, if applicable, with ADHS or a Regional Behavioral Health Authority, and registered with AHCCCS as applicable, to provide mental health services.

"Regional Behavioral Health Authority (RBHA)" means an organization under contract with the Arizona Department of Health Services, to coordinate the delivery of mental health services in a geographically specific service area of the State for certain eligible persons.

"Regional Behavioral Health Authority Case Manager" is an individual contracted for or employed by a RBHA who meets qualifications in the AHCCCS Mental Health Policy Manual and is responsible for participating with the multidisciplinary clinical team in the development of the treatment plan, developing the service plan, arranging for service provision, and monitoring treatment to ensure that the needs of the eligible child are met.

"Screening" means the process completed by the RBHA or its contracted providers to determine if a youth requires a further behavioral health evaluation. Screening is comprised of an in-person contact with the youth and the youth's family or guardian, a brief intake assessment, and a professional case evaluation. Youth can be directly assigned (1) to home with community based services, (2) to

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home with no further behavioral health services, (3) referred back to ADYTR or other referral source, or (4) discharged.

"Service Plan" means a specific plan developed by the RBHA in concert with the juvenile probation officer or judge to carry out treatment, including treatment goals, specific services, service units, service cost, anticipated time frames and provider(s) of care. To be acceptable, the service plan shall meet all specifications included in the Administrative standards. The service plan shall be reviewed by the juvenile probation officer or judge as appropriate, and be approved by the appropriate health plan with respect to Title XIX coverage, cost-effectiveness, and continuity of care.

"Substance Abuse" includes chronic, habitual, or compulsive use of any chemical matter, which when introduced into the body is capable of altering human behavior or altering mental functioning and which with extended use may cause psychological or physiological dependence and/or impaired mental, social, or educational functioning. For purposes of this program, nicotine addiction is not considered substance abuse.

"Title XIX" is Title XIX of the Federal Social Security Act as amended and is the federal statute authorizing Medicaid.

### III. Mutual Objectives

Subject to the provisions of A.R.S. 36-2907.01, this Agreement is entered into for the purpose of achieving the following mutual objectives:

- A) To ensure that ADHS and RBHAs make comprehensive, cost-effective mental health services and substance abuse services available and accessible in a timely manner with full consideration to continuity of care for Eligible Youth.
- B) To ensure that ADYTR and ADHS coordinate, communicate, and provide timely exchange of information necessary for the establishment, maintenance and enhancement of activities for the provision of mental health services to all Eligible Youth.
- C) To ensure Title XIX mental health services are provided to Eligible Youth in the least restrictive appropriate setting.
- D) To provide relevant and timely training and technical assistance to ADYTR regarding amendments/revisions to the Administrative standards.

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IV. Agency Responsibilities

This section identifies the responsibilities of ADHS and ADYTR in achieving the mutual objectives outlined in Section III.

## A) Referral Process

## 1) ADYTR Major Responsibilities.

- a) ADYTR shall conduct pre-screening of youth at diagnostic placement and verification of Title XIX eligibility for mental health services.
- b) ADYTR shall refer at the time of intake if possible all Eligible Youth to the appropriate RBHA if they require intensive Case Management. Other Eligible Youth will be referred to providers approved by the RBHA. The parent's or guardian's residence shall be used in determining the appropriate RBHA for purposes of referral.
- c) ADYTR youth on conditional liberty who are held pending a parole due process hearing shall maintain Title XIX Eligibility, but shall not be eligible for federal reimbursement for Title XIX Behavioral Health or Substance Abuse Services received during the temporary secure care placement. Within 24 hours of placing a youth in one of its secure care schools, ADYTR shall notify the appropriate RBHA of the action.
- d) Whenever appropriate, ADYTR is encouraged to place youth who have a pending Title XIX eligibility application or for whom a Title XIX application will be taken in Title XIX-eligible facilities to enhance the ability of ADHS to provide continuity of service when Title XIX eligibility is established.
- e) ADYTR shall notify the appropriate RBHA of any Eligible Youth who is placed in emergency hospitalization in accordance with Administration Standards and shall ensure RBHA access to appropriate ADYTR case records and assist in obtaining access to client and other needed records.
- f) An ADYTR Youth in detention awaiting placement (rather than due to criminal activity) shall remain Title XIX eligible.

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## 2) ADHS Responsibilities

- a) ADHS shall require that RBHAs ensure that intake, screening, evaluation and diagnosis services are provided in accordance with Administration standards and shall provide ADYTR with the findings and service plan for each Eligible Child referred.
- b) ADHS shall implement, maintain, and monitor an appropriate provider network to accommodate ADYTR Title XIX Eligible Youth with regard to out of area placement and transfers.

## B) Provider Network

## 1) ADYTR Responsibilities

- a) The ADYTR shall continue to encourage ADYTR providers to be included in the RBHA provider network.
- b) Upon request from ADHS, the ADYTR shall provide a listing of the ADYTR behavioral health provider network.

## 2) ADHS Responsibilities

- a) ADHS shall require each RBHA establish and maintain a regional network of providers to coordinate and provide necessary mental health services to Eligible Youth.
- b) ADHS shall execute and maintain contractual agreements with RBHAs to coordinate and deliver mental health services in compliance with Administration Standards.
- c) ADHS shall require that providers of mental health services are qualified in accordance with Administration Standards.
- d) ADHS shall respond to the ADYTR's requests for licensure of facilities and to requests for technical assistance from the ADYTR's providers for the purpose of expanding the ADHS mental health provider network to include the ADYTR's special providers.
- e) Upon request, ADHS shall provide the ADYTR with a listing of all ADHS licensed mental health facilities, including address, date of licensure renewal, capacity and

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Joint Commission of Accreditation of Health Care Organization's (JCAHO) accreditation status. ADHS will notify the ADYTR of any changes in licensure status as they occur and submit a completely updated list periodically.

- f) ADHS will require that RBHAs provide the ADYTR with a list of the RBHA contracted providers by county who are authorized to conduct intake.

C) Screening, Evaluation and Case Management

Division of responsibilities shall be in accordance with the Children's Behavioral Health Interagency Agreement - State Agency Responsibilities, Exhibit A to this agreement.

1) ADYTR Responsibilities

- a) ADYTR shall forward relevant documents in its possession on Eligible Youth to the RBHAs or providers; including but not limited to referral packets, psychological, psycho social, psychiatric evaluations, and Individual Education Plans.
- b) The ADYTR and RBHAs shall provide unduplicated case management as defined by the ADYTR and ADHS case management process and by Administration standards. The ADYTR shall be financially responsible for the cost of ADYTR Case Management.
- c) If ADYTR does not approve and sign the Individual Development Plan for ADYTR youth, ADYTR shall be responsible for alternative treatment and placement, including financial liability.
- d) ADYTR shall maintain a process for ongoing communication and coordination of problem identification and resolution arising as a result of client management between ADYTR and the RBHAs.

2) ADHS Responsibilities

- a) ADHS shall require that the RBHA and their intake providers include the designated representative of ADYTR as a member of the multidisciplinary clinical team and that the representative is included in the RBHA service planning



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process. The ADYTR representative shall pre-approve and sign the Individual Development Plan for ADYTR youth.

- b) ADHS shall provide ADYTR with a copy of its annual Provider Network Status Report at the time of completion.
- c) ADHS shall require the RBHAs to coordinate with ADYTR in responding to referrals for placement or services concerning ADYTR Youth within time frames set forth by ADHS and the Administration Standards, including provision of information and/or support and identification of options for alternative placement or service.
- d) In the event that ADHS determines that a RBHA has not made every effort to comply with the timeframes and requirements for mental health services as set forth in a juvenile ADYTR order concerning an Eligible Child, ADHS shall take effective corrective action.

D) Continuity of Care

1) ADHS Responsibility

Within one working-day of notification by ADHS of the effective date of a youth's loss of title XIX Eligibility, the RBHA shall notify ADYTR Community Support Specialist.

2) ADYTR Responsibility

- a) Upon notification of loss of TXIX eligibility, the ADYTR Case Manager shall then review the need for continuity of service provision with the current provider(s). ADYTR shall notify the RBHA, within one working-day of notification, whether the youth shall need continuity of service provision with the current provider(s) and shall follow up with a written letter of authorization for continued service with the current provider.
- b) ADYTR shall notify the provider(s) of any continuation of service provision, that sole case management shall be provided by ADYTR, and the need for the provider to bill directly to ADYTR for services authorized by ADYTR. To ensure continuity of care, ADYTR may pay the ADHS contract provider directly for the services to a now non-Title XIX eligible youth.

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- c) For all ADYTR Youth who become ineligible for Title XIX services while receiving treatment or services, ADYTR will accept full financial responsibility for continuity of services as long as 1) the youth is the responsibility of ADYTR, 2) in need of such services as determined and authorized by ADYTR, and 3) notification from the RBHA was in compliance with the time-frame noted.
- d) ADYTR shall provide safe case management for youth described in IV.D.2.c.

E) Grievance and Appeals

ADYTR shall use the appeal process as defined in the ADHS Children's Mental Health Appeal Policy.

F) Quality Assurance and Utilization Review

Upon request, ADHS shall provide the ADYTR with a copy of the annual RBHA Operational Review Report and the Quality Audit after the date of completion. ADHS and the ADYTR will coordinate the development of quality assurance and utilization review systems for Eligible Children.

G) Claims Management for Title XIX and Non-Title XIX Reimbursable Services for Eligible Youth

1) ADYTR Responsibilities

- a) The ADYTR will directly reimburse their providers for the Non-Title XIX reimbursable services provided to Eligible Youth.
- b) The ADYTR and ADHS shall work toward an automated common billing process.
- c) The ADYTR shall provide ADHS by the tenth working day of each month a roster identifying the Eligible Youth referred to the RBHAs for mental health services.
- d) The ADYTR shall be responsible for the cost of case management services provided by ADYTR Case Managers.

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## 2) ADHS Responsibilities

- a) ADHS shall provide the ADYTR with the results of reconciling the ADYTR roster of Eligible Youth with Youth enrolled in a RBHA by the twenty fifth day of each month provided a ADYTR roster has been received in that month.
- b) ADHS shall provide the ADYTR with a monthly report of Non-Title XIX services provided to Eligible Youth.
- c) ADHS shall provide the ADYTR with a monthly report of Title XIX services and expenditures for Eligible Youth referred by the ADYTR.
- d) ADHS shall process claims for Mental Health Services which appear on an approved Title XIX service plan in accordance with the Third Party Payer Billing Manual.
- e) ADHS and the RBHAs shall be responsible for the cost of Case Coordination and Case Management services provided by RBHAs or their providers.
- f) ADHS shall prepare a monthly report of outstanding claims liabilities.

H) Coordination Efforts

- 1) The ADYTR and ADHS, as appropriate, shall exchange information relevant to claims, service delivery, quality of care, service needs, and RBHA performance.
- 2) The ADYTR shall continue to participate in the development efforts of the Children's Behavioral Health Intergovernmental Agreement including unduplicated case management, the Annual Needs and Resource Assessment, the development of a single purchase of care system, the development and testing of performance standards, and exploring the feasibility of referral of all children to RBHAs for mental health services.
- 3) Upon request, the ADHS and ADYTR shall provide each other with copies of all audits required by federal or state laws, rules, or regulations. Those may include the Operational and Financial Review conducted by ADHS, independent provider audits, and the Quality Audit conducted by ADHS.

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- 4) ADHS in conjunction with the ADYTR shall establish a training program and standard process or pre-screening for behavioral health service needs to be used by non-mental health professionals.

I) Contracting for Services  
If a RBHA is unable or unwilling to comply with Administration Standards or the ADHS contract requirements, the following steps will be taken:

1. ADYTR shall notify ADHS in writing of the non-compliance and the issues in dispute.
2. Within seven working days of notification, ADHS shall, in writing notify the RBHA of the impasse. Within thirty calendar days of this written notification, ADHS shall require the RBHA to develop a corrective action plan to overcome the impasse and submit the plan to ADHS for approval. ADHS shall submit the approved plan to ADYTR within seven working days of the RBHA submitting the plan for approval.
3. Within 30 calendar days of receiving the plan, ADYTR will either accept or reject the corrective action plan. If the corrective action plan is not acceptable, ADYTR will notify ADHS of the areas of concern and request modification by a specified date.
4. ADHS and ADYTR will work to resolve the issue. If resolution can not be attained, arbitration will be employed.

J) Notices

All notices or other correspondence between the parties regarding this Agreement shall be mailed or delivered to the respective parties at the following addresses:

Arizona Department of Health Services  
Office of Behavioral Health Services  
2122 E. Highland  
Phoenix, Arizona 85016

Arizona Department of Youth Treatment and Rehabilitation  
Director's Office  
1624 W. Adams  
Phoenix, Arizona 85007

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## K) Amendments

Any changes to this Agreement shall be carried out in accordance with the following:

- 1) No condition or requirement contained in or made a part of this Agreement shall be waived or modified without an approved written amendment to this Agreement. Amendments will be effective only if in writing and signed by all parties.
- 2) The above notwithstanding, parties shall each give notice to the other of any non-material alteration to this agreement. Non-material alterations do not require a written amendment. These changes are:
  - a) Of address;
  - b) Of telephone number;
  - c) In the chief program administrator or his/her designee; or
  - d) In the name and /or address of the person to whom notices are to be sent.

## L) Compliance With Non-Discrimination Laws

The parties shall comply with Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1975 and the Federal Executive Order 11246, and the State Executive Order No. 75-5 and A.R.S. 41-1461, et. seq. which mandate that all persons, regardless of race, color, religion, sex, age, national origin or political affiliation, shall have equal access to employment opportunities. The parties shall comply with Section 503 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination in the employment or advancement in employment of qualified persons because of physical or mental handicap. The parties shall comply with Title VI of the Civil Rights Act as amended, which prohibits the denial of benefits or participation in services on the basis of race, color, or national origin. The parties shall comply with the requirements of Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination on the basis of handicap in delivering services.

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## V) Termination

This Agreement may be terminated without cause upon ninety days notice by either party during the term of this contract. The State may cancel this Agreement as provided in A.R.S. 38-511.

- 1) In the event of termination as provided in this Section, the ADHS shall stop all work as specified in the notice of termination and immediately notify all Subcontractors in writing to do the same.
- 2) In the event of termination, RBHA and providers shall be paid at the established capped rates or negotiated contract rates which ever is lower for all services and items completed. In addition, RBHA and providers will be paid their reasonable actual costs for work in progress. Upon such termination, ADHS shall deliver to ADYTR the complete set of all documents, programs, and other information described in the contract.

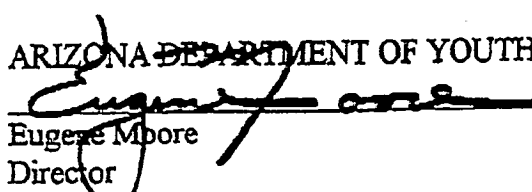
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date written below.

ARIZONA DEPARTMENT OF HEALTH SERVICES

  
Jack Dillenberg  
Director

  
Date

ARIZONA DEPARTMENT OF YOUTH TREATMENT AND REHABILITATION

  
Eugene Mbore  
Director

  
Date